

EXHIBIT A

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Russia is backing a viral video company aimed at American millennials

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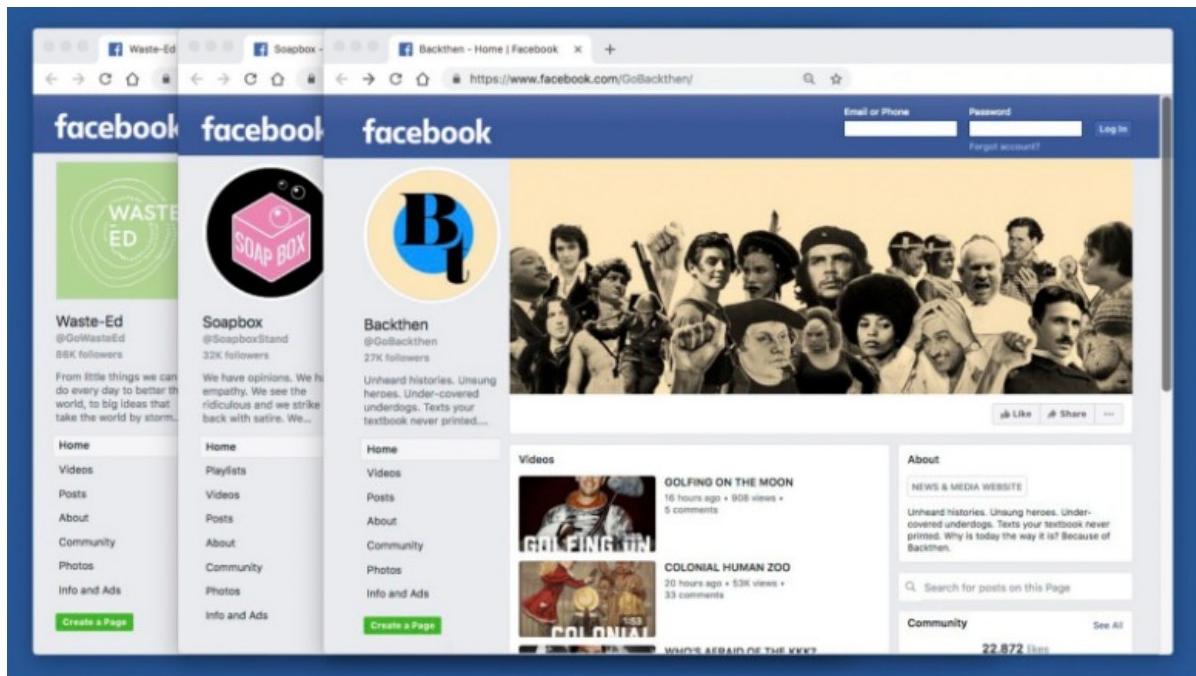
New York (CNN) Three online video channels designed to appeal to millennials have collected tens of millions of views on Facebook since September. But the pages pushing the videos do not disclose that they are backed by the Russian government.

The pages are run by Maffick Media, a company whose majority stakeholder is Ruptly, a subsidiary of RT, which is funded by the Russian government. Although Maffick Media has hired contractors and freelancers in Los Angeles in recent months, the company is not registered in the US, it is registered in Germany.

Facebook suspended the pages on Friday, saying it would reach out to the people running them to ask that they disclose where the pages are run from and their affiliation with their parent company in order to get back on the platform.

The move was an unusual one for Facebook. The company does not require users to provide information about parent companies, but it is rolling out ways to try to increase transparency about who runs popular Facebook pages, and it has been taking aggressive steps to tackle covert government-backed information operations on its service. In 2016, a [Kremlin-linked troll group](#) ran a network of pages designed to look like they were operated by real American activists.

The Maffick Media pages appear to have fallen into a gray area for Facebook. The pages do not include information about their links to the Russian government, but they were not previously required to.



"People connecting with Pages shouldn't be misled about who's behind them. Just as we've stepped up our enforcement of coordinated inauthentic behavior and financially motivated spam over the past year, we'll continue improving so people can get more information about the Pages they follow," a Facebook spokesperson said in a statement.

CNN spoke to representatives from Maffick before Facebook suspended the pages. Maffick's chief operating officer, J. Ray Sparks said Maffick is editorially independent of RT and claimed that it was "standard industry practice" not to disclose ownership of a Facebook page. "The general audience never is interested in these things and the standard practice is to simply not mention them, because the audience is not interested," he said.

In a [statement](#) posted to its website on Sunday, Maffick said, "We did not violate any of Facebook's policies whatsoever. None of our content promotes disinformation or fake news."

On Monday, Margarita Simonyan, the head of RT, pointed out that Facebook didn't seem to have an issue with the pages until CNN asked about them.

Asked by a Russian journalist to comment on the CNN report, Kremlin spokesman Dmitry Peskov said RT "has to stand up for its rights."

In a daily call with reporters, Peskov expressed optimism that the pages would be restored. "Regarding this specific case, I wouldn't get ahead of ourselves, we first need to get clarifications," he said. "I think of course RT has to stand up for its interests and receive explanations regarding this particular company and what the reasons were. We know that they've repeatedly succeeded in restoring their rights and I hope this is going to be the case here as well."

Like RT, Maffick's videos are generally critical of U.S. foreign policy and the mainstream American media, while largely avoiding criticism of the Russian government. Much of its content, like much of RT's in the US, fits comfortably within fairly mainstream American politics, especially on the left.

A typical tactic of Russian information operations in the US over the past few years has been to try to exploit existing divisions and tensions in the country. When covering and broadcasting in the US, RT has typically not injected some new line of criticism about the country into the discourse; instead it has reflected criticism of the US and the US government's actions at home and abroad that already existed — and that some people argue deserves more attention from the mainstream media.

"Working for In the Now, or working for Soapbox, or Maffick, is not an endorsement of the policies of its sponsors, just like working for CNN is not an endorsement of the pharmaceutical companies or weapons companies that play advertisements on CNN. Or just like working for the BBC or Al-Jazeera is not an endorsement of the policies of the British government or in Al Jazeera's case, Qatar's absolute monarchy," Rania Khalek, an American commentator who presents some of Maffick's videos, said in an interview with CNN.

Maffick runs three Facebook pages, Soapbox, which focuses on current affairs, Waste-Ed, an environmental channel, and Backthen, a history channel whose focus includes what it views as western imperialism. Together, the three pages have more than 30 million video views, though they've only been operating for a few months.

Since last September, Maffick has hired up to a dozen contractors and freelancers in Los Angeles, where they operate out of a shared WeWork office in Hollywood, according to two people familiar with the company.

Company records in Germany show that 51% of the company is owned by Ruptly. The remaining 49% is controlled by former RT presenter Anissa Naouai, who is Maffick's CEO. The records were first reported by the German outlet [T-online](#) and later by the [Alliance for Securing Democracy](#), which brought it to CNN's attention. The Alliance for Securing Democracy is part of the German Marshall Fund, which receives funding from the US, German and other governments. The Alliance for Securing Democracy says that while it is part of the German Marshall Fund, the ASD itself does not receive any funding from the GMF, and gets its money from private family funds and grants but not from government funding.

Sparks told CNN that Maffick started out as a holding company for another millennial-focused channel called In the Now.

In the Now was originally a television show on RT, hosted by Naouai. It has more than 3 million followers on Facebook and its ties to Russia have [previously been reported](#). Sparks sent CNN a list of stories he said In the Now had covered that did not portray Russia in a positive light.

Facebook also suspended In the Now's page on Friday.



RT is considered the "Kremlin's principal international propaganda outlet," according to a 2017 report from the [U.S. Director of National Intelligence](#) about Russia's meddling in the 2016 US presidential election.

RT's production company in the U.S. says its role is to "[inform, not influence.](#)"

Sparks told CNN in an email last week that although Maffick receives funding from RT's Ruptly, "There is no top down editorial structure coming from further up in the corporate structure." Sparks said editorial control lies entirely with Naouai.

Naouai worked as a correspondent for RT beginning in 2006, according to her LinkedIn page. She later hosted In the Now as a nightly show on RT and continued her relationship with the channel even during Russia's intervention in Ukraine and what the U.S. Director of National Intelligence said was RT's involvement in Russian meddling in the 2016 US elections.

According to Sparks, Naouai has been friends for "many many" years with RT Editor-in-Chief Margarita Simonyan. The 2017 DNI report alleged that Simonyan played a role in Russian President Vladimir Putin's 2012 campaign and has ties to top Russian government officials.

"The Kremlin staffs RT and closely supervises RT's coverage, recruiting people who can convey Russian strategic messaging because of their ideological beliefs," the [DNI report said](#).

RT said in a statement to CNN, "It is understandable for some people to assume that Ms Simonyan's warm demeanour is more than that of a trusted professional relationship with any of her colleagues, as appears to have happened in this case." RT's statement added that Simonyan's attitude and courtesy is "not something that extends to affect editorially independent projects."

Simonyan has previously rejected the notion that the Russian government controls RT.

Sparks said that the professional friendship between Naouai and Simonyan, in addition to Maffick's successful audience growth and content, plays into the level of independence that Naouai is granted in running Maffick.



"We should judge journalists on the content that they produce. So if you want to judge me, judge me on the content. Judge me on the facts I'm presenting," Rania Khalek, told CNN. "If you have a problem with that, challenge me on that. But as far as funding goes, all media is funded by either corporations or governments. So if we're going to have a conversation about funding, we should really open that up to include all media outlets, including CNN."

Khalek told CNN that Naouai gives her the freedom to write and produce her own content without input or control. Khalek described herself as an anti-imperialist leftist who developed her political viewpoints in

part due to her family coming from a "part of the world that's been negatively impacted by US wars."

"If I oppose a US war, does that automatically mean I'm going to be accused of being aligned with the Kremlin?", Khalek asked during an interview with CNN on Monday from Berlin, where Maffick is based. "And with this Russia hysteria that we're experiencing now, I feel like this is a very, very dangerous McCarthyist tactic to start saying that leftist views, anti-war views are just the Kremlin government's talking points."

"Amen," Sparks, who was sitting next to her, chimed in.

Ben Nimmo, a senior fellow for information defense at the Atlantic Council's Digital Forensic Research Lab, told CNN that while Russian state-backed outlets claim to be editorially independent, "they routinely boost Kremlin narratives, especially those which portray the West negatively."

Nimmo said the tone of Maffick's pages is "broadly anti-US and anti-corporate. That's strikingly similar to RT's output. Maffick may technically be independent, but their tone certainly matches the broader Kremlin family."

The Atlantic Council is an American think tank that receives funding from multiple governments, including the United States.

The FARA question

Sparks told CNN that Maffick tells contractors about the company's connection to the Russian government. Two sources familiar with the company's hiring process independently confirmed this to CNN.

It is not a disclosure Maffick's pages share with their audiences, however.

The company's three new Facebook pages do not include any mention of their Russian government ties, nor do they include links to external websites where that information might appear.

Sparks told CNN that pages not mentioning their owners was "standard business practice," claiming that CNN and Great Big Story, a video company owned by CNN, do not list their parent companies on their Facebook pages.

CNN does list a parent company on its Facebook page, though the information is outdated, listing the network's owner as Time Warner, which was purchased by AT&T and has been renamed WarnerMedia. Great Big Story's Facebook page does not name its parent company, but does link to a website where these details are spelled out.

Facebook's rules do not yet require people behind pages to say who they are. However, in a statement explaining why it took the Maffick Media pages down on Friday, a Facebook spokesperson said the company was working to improve its page transparency program. The spokesperson added that Facebook would be reaching out to the administrators of the Maffick media pages "to ask that they disclose this additional information and their affiliation with their parent company to get back on the platform."

Beyond Facebook, there is another potential disclosure issue for Maffick.

RT's production company in the US, T&R Productions, [was made to register](#) in the US in late 2017 as a foreign agent for the Russian government under the Foreign Agents Registration Act (FARA). Explaining the move, the US Justice Department said at the time, "Americans have a right to know who is acting in the United States to influence the U.S. government or public on behalf of foreign principals."

Asked why Maffick has not registered as a foreign agent even though the company has contracted some workers in the US, Sparks told CNN, "We just incorporated seven months ago. We're way too small to have a US subsidiary. We are a small German company and we have a network of freelancers and contractors with whom we can work in many locations, including the US, but we are nowhere near launching in the US."

But Joshua Ian Rosenstein, a FARA expert and an attorney with the firm Sandler Reiff Lamb Rosenstein, said that companies based abroad are not automatically exempt from requirements to register as foreign agents.

"If they are doing work in the US with the aim of accomplishing Russian interests and are financed by an arm of the Russian government, then FARA registration could be justified," Rosenstein said.

The 2017 DNI report, which was released before RT registered under FARA, said, "RT America formally disassociates itself from the Russian Government by using a Moscow-based autonomous nonprofit organization to finance its US operations. According to RT's leadership, this structure was set up to avoid the Foreign Agents Registration Act and to facilitate licensing abroad."

People familiar with how the company pays workers told CNN that Maffick asked their workers in Los Angeles to set up their own individual limited liability companies (LLCs) so that Maffick could pay them their salaries through international bank transfer. Payments are made from a bank account in Germany, where Maffick is registered, the people said.

The Justice Department did not respond to CNN's questions on whether Maffick could be required to register under FARA.

Facebook transparency?

In 2018, YouTube began labelling videos on its platform produced by state-funded media outlets.

YouTube videos posted by RT, Ruptly, and In The Now all carry the disclaimer: "RT is funded in whole or in part by the Russian government."

Facebook, where Maffick's new videos are being posted, does not carry disclaimers.



The social media platform announced last year that it was introducing ways to make Facebook pages more transparent, including posting information about where certain pages are run from. But only one of the three Maffick pages, Waste-Ed, includes information about where the people behind the page are based. Seven people control the Waste-Ed page, according to Facebook, three are in the US, three in Germany, and one in Russia.

Facebook told CNN that, unlike YouTube, it doesn't have a policy of labeling state-sponsored media on the platform but said it is currently considering transparency options that could help address the issue.

Bret Schafer, a social media analyst at the German Marshall Fund, said that he believes most people who see content from the pages on Facebook have no idea it could be tied to Russia.

"It should be clearly labeled," he told CNN, "and when they don't label them, they need to be called out on that."

Correction: The original version of this article incorrectly quoted Sparks as saying it is "standard business practice" for a media outlet not to disclose its ownership on its Facebook page. He actually referred to "standard industry practice" and "standard practice."

Update: This story has been updated to clarify that it was the Alliance for Securing Democracy that reported on the Maffick business records, and to explain the Alliance for Securing Democracy's funding and its relationship to the German Marshall Fund.